



STATE OF DELAWARE
DEPARTMENT OF AGRICULTURE
DELAWARE HARNESS RACING COMMISSION
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Minutes of the Meeting Held September 14, 2010

The Delaware Harness Racing Commission met for a meeting
at the Delaware State Fairgrounds, Exhibit Hall Boardroom,
Harrington, Delaware, at 10:15 AM

Commission Members Present

Beth Steele, Chairman	George P. Staats, Commissioner
Robert B. Brown, Commissioner	Larry Talley, Commissioner
Patt Wagner, Commissioner	

Others Present

Andrew Kerber, Deputy Attorney General	Karen Craft, Facilities Manager, HRI
Charles Lockhart, VP of Horse Racing, D. Downs	Judy Davis-Wilson, Executive Director, DSBF
John Hensley, Sr. Dir., Horse Racing, D. Downs	Hugh Gallagher, DHRC Administrator of Racing
Salvatore DiMario, Executive Director, DSOA	Brian J. Manges, DHRC Chief Inspector
James Boese, General Manager, HRI	Matt Sparacino, Assist. General Mgr., HRI
Scott Egger, Presiding Judge	Jay Baldwin, D.V.M., Lasix Veterinarian
Annie Renzetti, D.M.V.	Jo-Ann Price, DHRC Paralegal

CALL TO ORDER

At 10:21 AM, Chairman Steele called the public session of the meeting to order and welcomed all in attendance.

APPROVAL OF MINUTES

Commissioner Brown moved to approve the June 8, 2010 DHRC Minutes as written, Commissioner Staats seconded; the Motion passed unanimously.

SIGNING OF ORDERS

Chairman Steele passed the Orders for the Baker/Wolfenden and

Cannon appeals down for the Commissioners to sign.

OLD BUSINESS

None offered.

NEW BUSINESS

Award Racing Dates for 2011

Mr. Gallagher read the letters from Dover Downs and Harrington Raceway asking for race dates. No other requests were received; the staff recommendation is that they be approved. Chairman Steele moved for approval, Commissioner Wagner seconded; the Motion passed unanimously.

Commission's Questions

Specifications

Commissioner Brown asked if specifications for the grandstand had been submitted. Mr. Gallagher wasn't informed of any substantial changes to the grounds or any other areas that have gaming in them at Dover Downs. (Dover Downs' documentation was previously submitted and approved.)

Audits

Mr. Brown also asked if audits of the pari-mutuel machines and totalizers had been performed; Mr.

Gallagher responded that the DHRC has the authority to conduct periodic audits. This has been discussed with Mr. Lockhart and will be discussed with Mr. Boese if the Commission directs. Mr. Brown also asked if the tracks themselves have an audit. Mr. Lockhart said there are both internal and external auditors who test; additionally, United Tote has a SAT70 (federal) requirement that they make available. Mr. Brown also asked if the Commission would be notified if there was a problem with totalization. Mr. Lockhart didn't know, but he felt that information would be well known by all of us. There has not been a problem with payout to his knowledge. Mr. Boese concurred; Harrington has internal and external audits and did have a wrong payout during its Spring meet. All that information was furnished to Mr. Gallagher and the judges. Mr. Lockhart clarified that the wrong payout was an incorrect *posting* of the numbers; the system itself was not at fault. Mr. Brown explained that the reason he brought these issues up is that when he went to class they stated that only being off ½ a percentage point of the pool would equal quite a large amount of money. The largest pool is overseas; Mr. Lockhart agreed, especially with thoroughbred's largest tracks. At Dover Downs, 90% of the money is wagered in the state and internal audits are conducted year round. Commissioner Talley and

Mr. Gallagher have discussed this issue and a letter will be forwarded to both tracks requesting copies of their audits for 2009 and 2010. Senator Sarbane also should receive a copy of the audit.

APPROVAL - SIMULCAST SIGNALS AT DOVER DOWNS

A letter to Mr. Lockhart approving Dover Downs' simulcast signal was in the Commissioner's folders. Chairman Steele explained the letter is just a formality; this lets the newest Commissioners know how DHRC does these approvals.

ASSIGNMENT OF COMMISSIONERS FOR SPECIAL PROJECTS

Chairman Steele explained that each of the Commissioners has a special area of expertise; it makes sense to assign them to these special areas, so that when issues need to be researched, meetings attended, etc. it naturally follows for that person to attend on DHRC's behalf. Commissioner Brown is hereby assigned to Auditing Compliance and will be assigned to Rules Committee when financial issues are discussed; Commissioner Wagner is assigned to Medical issues. She will attend the upcoming Rules Committee meeting in October and the American Equine Practitioners meeting in November. Security and Compliance Issues will be handled by Commissioner Talley, who will bring things to the Commission's attention when necessary;

and since Commissioner Staats has a special relationship with horsemen, he will be assigned to Horsemen's Relations.

CHANGE NOVEMBER MEETING

Chairman Steele had a conflict with her schedule and asked the Commission to change the Dover Downs November meeting from the 9th at 10:15 AM to the 1st at 3:00 PM. No hearings will be scheduled. Commissioner Staats moved to make the change, Commissioner Talley seconded; the Motion passed unanimously.

SHERI FOWLER HEARING

Mr. Gallagher gave the background on this matter: Mr. Lang from SIS contacted the Commission in 2008. After an investigation by Mr. Manges and hearing by the judges, it was determined by the judges that Mr. Harper and Ms. Fowler were in violation of our rules based upon the information received concerning her suspensions in Australia. Mr. Harper and Ms. Fowler received fines and suspensions from the judges. Ms. Fowler checked No. 9 negative on her Delaware application, but she *did* have a penalty record in Australia, not the US, however. Correspondence ensued with Ms. Fowler and she claimed improper notice, etc. Notice was sent properly, as Ms. Fowler claimed Mr. Crissman's address as her home address. This was placed on today's agenda to attempt to bring final closure

to this matter. A hearing date was set and Ms. Fowler was given two months to comply with arrangements of the judge's order to appear before the Commission. Ms. Fowler has not been heard from since. Mr. Gallagher recommended a decision be reached today and a final Order sent to Australia. Ms. Fowler was notified of a possible penalty of a \$5,000 fine and an indefinite license suspension. Mr. DiMario offered his opinion that the Commission leave the judges' order the way it is. If Ms. Fowler never appears, then it is a self-imposed suspension. Mr. Gallagher added that if Ms. Fowler wants a license she will have to appear before the judges, apply, and pay the fine. Mr. Gallagher also explained to Ms. Fowler that she was not being treated the same as Mr. Harper. Mr. Egger offered that Mr. Harper acted while under suspension, that's why his offense was considered more serious. There was general agreement to uphold the judge's decision. Mr. Kerber summarized that as this was put before the Commission and Ms. Fowler took no action, the judge's action stands.

REPORTS

Administrator's Today's signing of Orders cleaned up the backlog we had. The Adams' appeal in Supreme Court was heard over the summer; the judge affirmed the Commission's position. Judge Vaughn ruled on the DSBF redraw, which was dropped by the plaintiffs, is

now concluded. All purse re-distributions have been signed and will be released. Seventy-five checks were tied up, and have now been distributed.

Chief Veterinarian's Dr. Renzetti reported all continues to go well. A horse broke down two weeks ago in a trot race. It was transferred him to Baldwin New Bolton, had surgery and did well.

Presiding Judge's Mr. Egger reported nothing of note to report. All is well.

PUBLIC COMMENT

Dr. Jay Baldwin wanted to commend Harrington Raceway for having full fields five days/week under extreme pressure from the industry. Horsemen and smaller stables around the area are complaining about how they suffered with a 40 day meet. For the new Commissioners, Delaware puts on more races; every race is a work unit for them, and DHRC staff has more work units than any other jurisdiction in the country. He wanted to bring something positive to the meeting, so everyone recognizes what we have in Delaware.

UPCOMING MEETINGS

DHRC:

Oct. 12 - Harrington Raceway

Nov. 1 - (*Monday*) Dover Downs

Rules:

Oct. 18 - (*Monday*) Dept of Ag.

ROAP CE Training:

Nov. 8 -9 - Delaware Park

U of Louisville CE Training:

Nov. 15-16 - Louisville, KY

ADJOURNMENT EXECUTIVE SESSION

At 10:54 AM, having no more business, Commissioner Talley moved to adjourn to Executive Session. Commissioner Staats seconded, and the Motion passed unanimously.

ADJOURNMENT PUBLIC SESSION

At 12:25 PM, having no more business, Commissioner Brown moved to adjourn the meeting. Commissioner Staats seconded, and the motion was unanimous.



